

EXECUTIVE COUNCIL OF IOWA

AGENDA

OCTOBER 3, 2011

1. Introduction of Attendees
2. Approval of minutes of meeting held September 26, 2011
3. Personal Appearance –
 - A. Ed Holland, Department of Administrative Services, HRE will be present to request approval of Annual Group Insurance Renewal.
TAB # 1
4. Emergency Allocations – Page 1
5. Payment of Cost Items – Page 2
6. Renewal Memberships – Page 2
TAB #'s 2, 3, 4 and 5

4. Emergency Allocations

- A. Department of Administrative Services-General Services Enterprise is requesting an emergency allocation in the amount of \$20,376.19. On January 24, 2011 a power surge on the Capitol Complex damaged 5 variable frequency drivers and electronic fill water valve. Request is to cover damages.

The State Auditor's Office has reviewed the above request and recommends allocation in the amount requested, subject to audit of actual invoices.

- B. Department of Administrative Services-General Services Enterprise is requesting an emergency allocation in the amount of \$4,885.00. Lightning strike at the Iowa Building damaged the variable frequency drive. Request is to cover repair costs.

The State Auditor's Office has reviewed the above request and recommends allocation in the amount requested, subject to audit of actual invoices.

- C. Department of Administrative Services-General Services Enterprise is requesting an emergency allocation in the amount of \$6,535.75. On August 4, 2010 a surge from a lightning strike caused damage to a chiller at the Central Energy Plant. Request is to cover repair costs.

The State Auditor's Office has reviewed the above request and recommends an allocation in the amount of **\$5,836.45**, subject to audit of actual invoices, disallowing \$699.30 to cover costs of damage to cameras because notification was never made.

- D. Department of Public Safety, Iowa State Patrol District Office is requesting an emergency allocation in the amount of \$150,423.08. On August 18, 2011 the Council Bluffs District Office sustained storm and hail damaged to the Atlantic State Radio and 20 vehicles. Request is to cover repair costs.

The State Auditor's Office has reviewed the above request and recommends an allocation in the amount of **\$141,694.70**, subject to audit of actual invoices. The cost to repair the Atlantic State Radio were \$9,947.10 less than originally estimated and repair to six vehicles was \$1,218.72 higher than originally estimated.

5. **Payment of Cost Items**

- A. Department of Administrative Services \$14,833.36
On August 8, 2010, there was a lightning strike at the Iowa Building. Request was to cover repair costs for Sieman's panel numbered 10.

The State Auditor's Office has reviewed the above request and recommends payment. This represents full and final payment, \$4,122.88 will be reverted and this allocation closed.

- B. Department of Administrative Services\$2,680.69
On October 11, 2010 a water line break caused damage at the Agricultural Lab in Ankeny. Request is to cover repair costs.

The State Auditor's Office has reviewed the above request and recommends payment in the amount of **\$2,672.85**, the amount of the approved allocation. This represents full and final payment.

6. **Renewal Memberships**

- A. Iowa Veterans Home in National Association of State Veterans Homes (NASVH) in the amount of \$900.00 for October 1, 2011 - September 30, 2012. (Previous amount was \$900.00.) Other agencies: No: Funding Source: Other State Funds: X Medicaid

TAB # 2

- B. Natural Resources in Midwest Association of Fish and Wildlife Agencies in the amount of \$1,800.00 for July 1, 2011 - June 30, 2012. (Previous amount was \$1,800.00.) Other agencies: No: Funding Source: Other State Funds: Fish and Wildlife Trust Fund

TAB # 3

- C. Public Safety in SEARCH-The National Consortium for Justice Information and Statistics in the amount of \$6,500.00 for October 1, 2011 - September 30, 2012. (Previous amount was \$6,500.00.) Other agencies: No: Funding Source: Other State Funds: Criminal History

TAB # 4

- D. Transportation in Ames Chamber of Commerce in the amount of \$1,500.00 for July 2011 - June 2012. Other agencies: No: Funding Source: Other State Funds: Primary Road Fund (Deferred at September 26, 2011 meeting)

TAB # 5



October 3, 2011

MEMORANDUM

TO: The Honorable Terry E. Branstad, Governor
 The Honorable Matt Schultz, Secretary of State
 The Honorable David A. Vaudt, Auditor of State
 The Honorable Michael L. Fitzgerald, Treasurer of State
 The Honorable William H. Northey, Secretary of Agriculture & Land Stewardship

FR: Ed Holland, Division Administrator
 Department of Administrative Services - HRE

RE: Annual Group Insurance Renewal

Enclosed please find a summary of the 2012 renewal report for the State employees' group insurance program. The insurance changes will become effective January 1, 2012. The group insurance renewal for this year is excellent. The Council should note that the health premiums will be going up approximately 0.8%, term life premiums and long term disability rates will remain constant and the dental rates will be increasing by only 4.4%.

The renewal document reflects that:

- After this year's negotiations, the Wellmark Indemnity and Preferred Provider Organization (PPO) premiums are increasing approximately 0.8%.
- After this year's negotiations, the Wellmark Managed Care Organizations (MCO) premiums are increasing approximately 0.8%. Both MCO options will be at no cost to employees. The number of covered counties remains at 95 for the current plan year.
- During the last bargaining session, The United Electrical/Iowa United Professional (UE/IUP) union negotiated a different indemnity plan than The American Federation of State, County, and Municipal (AFSCME), Judicial AFSCME, and Public Professional and Maintenance (PPME).
- The AFSCME, AFSCME Judicial and PPME state share will continue to be an 85/15% split of the family premium cost of Iowa Select. The state share of Iowa Select will be applied to all other family plans for these employees. The State will continue to pay 100% of single and double spouse contracts.

The UE/IUP state share will also continue to be an 85/15% split of the family premium cost of Iowa Select. The state share of Iowa Select will be applied to all other family

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plans for UE/IUP employees. The State will continue to pay 100% of single and double spouse contracts.

- After this year's renewal, the Delta Dental premiums are increasing approximately 4.4%.
- Basic Term Life insurance rates are the same as last year as we have negotiated a multi-year fixed rate.
- Long Term Disability insurance rates are the same as last year as we have negotiated a multi-year fixed rate.
- Life reserve fund surpluses are used to buy down plan year 2012 basic term life rates only. Supplemental rates will not be bought down as the reserves have been exhausted.
- The Insurance Committee approved DAS bringing all insurance rates to the Executive Council on September 27, 2011.

Summary:

Through the actions of DAS-HRE and its consultant we are able to present the Council with a Wellmark premium increase that is well below market; a 4.4 percent increase for dental insurance, and life and LTD rates that have not increased over the last year.

DAS-HRE is asking the Executive Council to do the following:

- Approve the employee health and dental premium rates.
- Approve non-contract employees continue to have access to Deductible 3 Plus, Iowa Select and the MCO options available and the contribution dollar amount applied to all non-contract family plans will be the same as AFSCME.
- Approve that all employees have access to an Open Dental Enrollment.
- Approve the Term Life and LTD premium rates.
- Approve the Basic Term Life premium rates with the use of surplus to "buy down" life premium rates.

Note: Deloitte Consulting, LLP. comments supporting the renewals are included where appropriate.

2012 Group Insurance Renewal

Department of Administrative Services
Human Resources Enterprise

2012 Group Insurance Renewal

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Wellmark Indemnity and Preferred Provider Organization Premium Rates

*American Federation of State County and Municipal Employees (AFSCME),
Judicial AFSCME, Public Professional and Maintenance Employees (PPME), &
Non-Contract (Judicial) Employees*

Wellmark	2011			Percent Inc/(Dec)	2012		
	Total Premium	Total Premium	Total Premium		Total Premium	State Share	Employee Share
Program (S)	\$750.62	\$750.62	\$0.00	0.8%	\$756.45	\$756.45	\$0.00
3 Plus (F)	\$1,756.45	\$1,487.63	\$268.82	0.8%	\$1,770.13	\$1,499.93	\$270.20
Iowa (S)	\$747.91	\$747.91	\$0.00	0.8%	\$754.11	\$754.11	\$0.00
Select (F)	\$1,750.14	\$1,487.62	\$262.52	0.8%	\$1,764.61	\$1,499.93	\$264.68

*United Electrical/Iowa United Professionals (UE/IUP) Employees &
Non-Contract (Non-Judicial) Employees*

Wellmark	2011			Percent Inc/(Dec)	2012		
	Total Premium	State Share	Employee Share		Total Premium	State Share	Employee Share
Deductible (S)	\$754.39	\$754.39	\$0.00	0.8%	\$760.48	\$760.48	\$0.00
3 Plus (F)	\$1,765.33	\$1,487.63	\$277.70	0.8%	\$1,779.59	\$1,499.93	\$279.66
Iowa (S)	\$747.91	\$747.91	\$0.00	0.8%	\$754.11	\$754.11	\$0.00
Select (F)	\$1,750.14	\$1,487.62	\$262.52	0.8%	\$1,764.61	\$1,499.93	\$264.68

Wellmark Managed Care Organization Premium Rates

All Bargaining & Non-Bargaining Employees

Wellmark	2011			Percent Inc/(Dec)	2012		
	Total Premium	State Share	Employee Share		Total Premium	State Share	Employee Share
Blue (S)	\$468.10	\$468.10	\$0.00	0.8%	\$471.85	\$471.85	\$0.00
Access (F)	\$1,095.34	\$1,095.34	\$0.00	0.8%	\$1,104.11	\$1,104.11	\$0.00
Blue (S)	\$450.69	\$450.69	\$0.00	0.8%	\$454.32	\$454.32	\$0.00
Advantage (F)	\$1,054.65	\$1,054.65	\$0.00	0.8%	\$1,063.14	\$1,063.14	\$0.00

2012 Managed Care Service Areas (Map)*



*Shaded counties are covered by the managed care carrier network

Actual Dental Rates

*American Federation of State County and Municipal Employees (AFSCME),
Non-Contract, AFSCME Judicial Employees &
Public Professional and Maintenance Employees (PPME)*

ACTUAL DENTAL INSURANCE RATES							
Delta Dental	2011			Percent Inc/(Dec)	2012		
	Total Premium	State Share	Employee Share		Total Premium	State Share	Employee Share
(S)	\$26.65	\$26.65	\$0.00	4.4%	\$27.83	\$27.83	\$0.00
(F)	\$71.65	\$35.83	\$35.82	4.4%	\$74.83	\$37.43	\$37.40

United Electrical/Iowa United Professionals (UE/IUP)

ACTUAL DENTAL INSURANCE RATES							
Delta Dental	2011			Percent Inc/(Dec)	2012		
	Total Premium	State Share	Employee Share		Total Premium	State Share	Employee Share
(S)	\$26.65	\$26.65	\$0.00	4.4%	\$27.83	\$27.83	\$0.00
(F)	\$71.65	\$26.65	\$45.00	4.4%	\$74.83	\$27.83	\$47.00

Note: The only difference between tables is the collectively bargained State and Employee shares.

Estimated Actual Insurance Funding

Annual Totals for Active Employees

Increase/Decrease in State contribution to total group insurance cost = 3.6% Increase
 Increase/Decrease in Employee contribution to total group insurance cost = 2.1% Decrease
 Increase/Decrease in Total Premium cost = 3.3% Increase

	2011			2012		
	State Contribution	Employee Contribution	Total Premium	State Contribution	Employee Contribution	Total Premium
PPO/Indemnity*	\$137,117,815	\$11,929,799	\$149,047,614	\$126,859,522	\$10,888,585	\$137,748,107
MCOs*	\$181,280,017	\$0.00	\$181,280,017	\$202,913,405	\$0.00	\$202,913,405
Subtotal*	\$318,397,832	\$11,929,799	\$330,327,631	\$329,772,927	\$10,888,585	\$340,661,512
Dental*	\$10,031,074	\$6,659,453	\$16,690,527	\$10,883,356	\$7,330,480	\$18,213,836
Basic Life	\$864,586	\$0.00	\$864,586	\$839,342	\$0.00	\$839,342
Supp. Life**	\$0.00	\$3,184,488	\$3,184,488	\$0.00	\$3,090,096	\$3,090,096
Subtotal	\$864,586	\$3,184,488	\$4,049,074	\$839,342	\$3,090,096	\$3,929,438
LTD	\$4,116,127	\$0.00	\$4,116,127	\$4,065,708	\$0.00	\$4,065,708
GRAND TOTAL	\$333,409,619	\$21,773,740	\$355,183,359	\$345,561,333	\$21,309,161	\$366,870,494

* Does not include SPOC Health and Dental costs.

STATE OF IOWA *2012 Medical and Dental Plan Renewal Report*

Background

Deloitte Consulting LLP (Deloitte Consulting) has been retained by the State of Iowa to review the appropriateness of the medical and dental plan renewals prepared by the State's current providers. The State contracts with Wellmark Blue Cross and Blue Shield of Iowa (Wellmark) under a minimum premium arrangement offering five medical plans. The State also contracts with Delta Dental under a minimum premium arrangement for its dental plan.

We analyzed the proposed medical and dental renewal rates and all supporting information provided to determine if the proposed fees and underwriting were appropriate. This report outlines our approach and observations from our review of the renewals.

Wellmark Minimum Premium Plans

Wellmark was required to complete multiple data submissions and renewals as part of the 2012 renewal process. The multiple data submissions were required as the State is implementing a new post-65 retiree offering and asked that Wellmark review the rate relationships between retirees and active employees. Deloitte Consulting reviewed the following areas to evaluate the reasonableness of the rate renewal:

- Observed and projected trend assumptions
- Per member per month (PMPM) claim levels and costs
- Administration, disease management, and retention fees
- Other adjustment factors
- Overall rating methodology

Our initial observations of the first renewal were that the current claims experience has been extremely good. Most recent 2011 claims experience has been increasing in the low single digits (1-5%) and observed drug trends have declined significantly versus 2010 claims experience. The overall rating methodology was consistent with prior years with a preliminary rate increase of 4.54%.

Overall rating trends used in the preliminary rating were slightly higher than observed at 7-8%. Following negotiations in which trends were reduced slightly, more recent experience was used, and adjusting for the post-65 retiree changes, the overall active and early retiree increase will be approximately 0.8%. While we believe the rating methodology could have reflected more recent observed trends, the methodology is reasonable and reflects the lower than expected

experience. We believe the 0.78-0.83% rate increases are reasonable given the historical claims experience.

Overall active employee premium rates for 2012 will be increasing 0.8%.

Delta Dental Minimum Premium Plan

Delta Dental was also required to complete a comprehensive data filing as part of the 2012 renewal process. The Dental Benefits Program went out to bid in 2011 and Delta Dental was awarded the contract. Deloitte reviewed the following areas to evaluate the reasonableness of the rate renewal:

- Observed and projected trend assumptions
- Per member per month (PMPM) claim levels and costs
- Administration fees
- Other adjustment factors
- Overall rating methodology

The overall rating calculated a 6% increase and final rates will be increasing 4.4% which is reasonable based on recent claims experience.

Summary

To conclude, Deloitte Consulting has reviewed the 2012 State of Iowa medical and dental renewals in detail and believe the proposed ratings and methodologies for 2012 used are reasonable and appropriate. Overall, 2012 proposed rates are reasonable and we recommend accepting the most recent proposals.

2012 Health & Dental Recommendations

DAS-HRE is asking the Insurance Committee to do the following:

- A. Approve the health and dental premium rates for Executive Council Review.
- B. Approve non-contract (non-judicial) employees continue to have access to Deductible 3 Plus, Iowa Select and the MCO options available and the contribution dollar amount applied to all non-contract family plans will be the same as AFSCME.
- C. Approve that all employees have access to an Open Dental Enrollment.

Actual Life & Long-Term Disability Premium Rates

*American Federation of State County and Municipal Employees (AFSCME),
Non-Contract, Judicial AFSCME,
& Public Professional and Maintenance employees (PPME)*

Basic Life Monthly Premium Rates			
	Plan Year 2011 (20,000)	Plan Year 2012 (20,000)	Percent Inc/(Dec)
Under 65 - \$20,000	\$3.20	\$3.20	0%
65 – 69 - \$13,200	\$2.11	\$2.11	0%
70 – 74 - \$8,300	\$1.33	\$1.33	0%
75 & Over - \$5,700	\$0.91	\$0.91	0%

*United Electrical/Iowa United Professionals (UE/IUP)
& State Police Officer's Council (SPOC)*

Basic Life Monthly Premium Rates			
	Plan Year 2011 (20,000)	Plan Year 2012 (20,000)	Percent Inc/(Dec)
Under 65 - \$20,000	\$3.20	\$3.20	0%
65 – 69 - \$13,200	\$2.11	\$2.11	0%
70 – 74 - \$8,300	\$1.33	\$1.33	0%
75 & Over - \$5,700	\$0.91	\$0.91	0%

Long-Term Disability (LTD) Premium Rates		
Plan Year 2011	Plan Year 2012	Percent Inc/(Dec)
\$0.370 per \$100 covered monthly compensation	\$0.370 per \$100 covered monthly compensation	0%
<p style="text-align: center;">Formula for monthly LTD cost =</p> <p style="text-align: center;"><u>Biweekly Salary (to annual maximum of \$60,000) X 26 X .00370</u></p> <p style="text-align: center;">12</p>		

Actual Life Insurance Premiums

Effective January 1, 2012

Basic Life Premiums (State Funded)

Age	Amount of Insurance Available	Monthly Premium
<65	\$ 20,000	\$3.20
65-69	\$ 13,200	\$2.11
70-74	\$ 8,300	\$1.33
75 & Over	\$ 5,700	\$0.91

Optional (Employee Funded) Supplemental Life Insurance Rates

\$5,000 Schedule I			\$10,000 Schedule II			\$15,000 Schedule III		
Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium
29 & Under	5,000	\$0.27	29 & Under	10,000	\$0.53	29 & Under	15,000	\$0.80
30-34	5,000	\$0.32	30-34	10,000	\$0.63	30-34	15,000	\$0.95
35-39	5,000	\$0.41	35-39	10,000	\$0.81	35-39	15,000	\$1.22
40-44	5,000	\$0.53	40-44	10,000	\$1.05	40-44	15,000	\$1.58
45-49	5,000	\$0.77	45-49	10,000	\$1.54	45-49	15,000	\$2.31
50-54	5,000	\$1.27	50-54	10,000	\$2.54	50-54	15,000	\$3.81
55-59	5,000	\$2.17	55-59	10,000	\$4.33	55-59	15,000	\$6.50
60-64	5,000	\$3.34	60-64	10,000	\$6.68	60-64	15,000	\$10.02
65-69	3,300	\$3.47	65-69	6,600	\$6.93	65-69	9,900	\$10.39
70-74	2,075	\$3.19	70-74	4,150	\$6.38	70-74	6,225	\$9.56
75-79	1,425	\$2.97	75-79	2,850	\$5.94	75-79	4,275	\$8.91
80 & Over	1,000	\$2.09	80 & Over	2,000	\$4.17	80 & Over	3,000	\$6.26

Note:

SPOC-covered employees are eligible for \$20,000 of Basic Life Insurance and \$30,000 of Supplemental Insurance due to their bargaining agreement.
 UE/IUP-covered employees are eligible for \$20,000 of Basic Life Insurance and \$40,000 of Supplemental Insurance due to their bargaining agreement. All other employees are eligible for \$20,000 of Basic Life Insurance and \$100,000 of Supplemental Insurance.

Actual Life Insurance Premiums (Cont'd)

\$20,000 Schedule IV			\$25,000 Schedule V			\$30,000 Schedule VI		
Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium
29 & Under	20,000	\$1.06	29 & Under	25,000	\$1.33	29 & Under	30,000	\$1.59
30-34	20,000	\$1.26	30-34	25,000	\$1.58	30-34	30,000	\$1.89
35-39	20,000	\$1.62	35-39	25,000	\$2.03	35-39	30,000	\$2.43
40-44	20,000	\$2.10	40-44	25,000	\$2.63	40-44	30,000	\$3.15
45-49	20,000	\$3.08	45-49	25,000	\$3.85	45-49	30,000	\$4.62
50-54	20,000	\$5.08	50-54	25,000	\$6.35	50-54	30,000	\$7.62
55-59	20,000	\$8.66	55-59	25,000	\$10.83	55-59	30,000	\$12.99
60-64	20,000	\$13.36	60-64	25,000	\$16.70	60-64	30,000	\$20.04
65-69	13,200	\$13.85	65-69	16,500	\$17.31	65-69	19,800	\$20.78
70-74	8,300	\$12.75	70-74	10,375	\$15.93	70-74	12,450	\$19.12
75-79	5,700	\$11.88	75-79	7,125	\$14.85	75-79	8,550	\$17.82
80 & Over	4,000	\$8.34	80 & Over	5,000	\$10.42	80 & Over	6,000	\$12.51
\$35,000 Schedule VII			\$40,000 Schedule VIII			\$45,000 Schedule IX		
Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium
29 & Under	35,000	\$1.86	29 & Under	40,000	\$2.12	29 & Under	45,000	\$2.39
30-34	35,000	\$2.21	30-34	40,000	\$2.52	30-34	45,000	\$2.84
35-39	35,000	\$2.84	35-39	40,000	\$3.24	35-39	45,000	\$3.65
40-44	35,000	\$3.68	40-44	40,000	\$4.20	40-44	45,000	\$4.73
45-49	35,000	\$5.39	45-49	40,000	\$6.16	45-49	45,000	\$6.93
50-54	35,000	\$8.89	50-54	40,000	\$10.16	50-54	45,000	\$11.43
55-59	35,000	\$15.16	55-59	40,000	\$17.32	55-59	45,000	\$19.49
60-64	35,000	\$23.38	60-64	40,000	\$26.72	60-64	45,000	\$30.06
65-69	23,100	\$24.24	65-69	26,400	\$27.70	65-69	29,700	\$31.16
70-74	14,525	\$22.30	70-74	16,600	\$25.49	70-74	18,675	\$28.67
75-79	9,975	\$20.79	75-79	11,400	\$23.76	75-79	12,825	\$26.73
80 & Over	7,000	\$14.59	80 & Over	8,000	\$16.68	80 & Over	9,000	\$18.76

Actual Life Insurance Premiums (Cont'd)

\$50,000 Schedule X		
Age	Amount of Insurance Available	Monthly Premium
29 & Under	50,000	\$2.65
30-34	50,000	\$3.15
35-39	50,000	\$4.05
40-44	50,000	\$5.25
45-49	50,000	\$7.70
50-54	50,000	\$12.70
55-59	50,000	\$21.65
60-64	50,000	\$33.40
65-69	33,000	\$34.62
70-74	20,750	\$31.86
75-79	14,250	\$29.70
80 & Over	10,000	\$20.84

\$55,000 Schedule XI		
Age	Amount of Insurance Available	Monthly Premium
29 & Under	55,000	\$2.92
30-34	55,000	\$3.47
35-39	55,000	\$4.46
40-44	55,000	\$5.78
45-49	55,000	\$8.47
50-54	55,000	\$13.97
55-59	55,000	\$23.82
60-64	55,000	\$36.74
65-69	36,300	\$38.08
70-74	22,825	\$35.04
75-79	15,675	\$32.67
80 & Over	11,000	\$22.93

\$60,000 Schedule XII		
Age	Amount of Insurance Available	Monthly Premium
29 & Under	60,000	\$3.18
30-34	60,000	\$3.78
35-39	60,000	\$4.86
40-44	60,000	\$6.30
45-49	60,000	\$9.24
50-54	60,000	\$15.24
55-59	60,000	\$25.98
60-64	60,000	\$40.08
65-69	39,600	\$41.55
70-74	24,900	\$38.23
75-79	17,100	\$35.64
80 & Over	12,000	\$25.01

\$65,000 Schedule XIII		
Age	Amount of Insurance Available	Monthly Premium
29 & Under	65,000	\$3.45
30-34	65,000	\$4.10
35-39	65,000	\$5.27
40-44	65,000	\$6.83
45-49	65,000	\$10.01
50-54	65,000	\$16.51
55-59	65,000	\$28.15
60-64	65,000	\$43.42
65-69	42,900	\$45.01
70-74	26,975	\$41.41
75-79	18,525	\$38.61
80 & Over	13,000	\$27.10

\$70,000 Schedule XIV		
Age	Amount of Insurance Available	Monthly Premium
29 & Under	70,000	\$3.71
30-34	70,000	\$4.41
35-39	70,000	\$5.67
40-44	70,000	\$7.35
45-49	70,000	\$10.78
50-54	70,000	\$17.78
55-59	70,000	\$30.31
60-64	70,000	\$46.76
65-69	46,200	\$48.47
70-74	29,050	\$44.60
75-79	19,950	\$41.58
80 & Over	14,000	\$29.18

\$75,000 Schedule XV		
Age	Amount of Insurance Available	Monthly Premium
29 & Under	75,000	\$3.98
30-34	75,000	\$4.73
35-39	75,000	\$6.08
40-44	75,000	\$7.88
45-49	75,000	\$11.55
50-54	75,000	\$19.05
55-59	75,000	\$32.48
60-64	75,000	\$50.10
65-69	49,500	\$51.93
70-74	31,125	\$47.78
75-79	21,375	\$44.55
80 & Over	15,000	\$31.26

Actual Life Insurance Premiums (Cont'd)

\$80,000 Schedule XVI				\$85,000 Schedule XVII				\$90,000 Schedule XVIII			
Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium
29 &			29 &			29 &			29 &		
Under	80,000	\$4.24	Under	85,000	\$4.51	Under	90,000	\$4.77	Under	90,000	\$4.77
30-34	80,000	\$5.04	30-34	85,000	\$5.36	30-34	90,000	\$5.67	30-34	90,000	\$5.67
35-39	80,000	\$6.48	35-39	85,000	\$6.89	35-39	90,000	\$7.29	35-39	90,000	\$7.29
40-44	80,000	\$8.40	40-44	85,000	\$8.93	40-44	90,000	\$9.45	40-44	90,000	\$9.45
45-49	80,000	\$12.32	45-49	85,000	\$13.09	45-49	90,000	\$13.86	45-49	90,000	\$13.86
50-54	80,000	\$20.32	50-54	85,000	\$21.59	50-54	90,000	\$22.86	50-54	90,000	\$22.86
55-59	80,000	\$34.64	55-59	85,000	\$36.81	55-59	90,000	\$38.97	55-59	90,000	\$38.97
60-64	80,000	\$53.44	60-64	85,000	\$56.78	60-64	90,000	\$60.12	60-64	90,000	\$60.12
65-69	52,800	\$55.39	65-69	56,100	\$58.85	65-69	59,400	\$62.32	65-69	59,400	\$62.32
70-74	33,200	\$50.97	70-74	35,275	\$54.15	70-74	37,350	\$57.34	70-74	37,350	\$57.34
75-79	22,800	\$47.52	75-79	24,225	\$50.49	75-79	25,650	\$53.46	75-79	25,650	\$53.46
80 & Over	16,000	\$33.35	80 & Over	17,000	\$35.43	80 & Over	18,000	\$37.52	80 & Over	18,000	\$37.52

\$95,000 Schedule XIX				\$100,000 Schedule XX			
Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available	Monthly Premium	Age	Amount of Insurance Available
29 &			29 &			29 &	
Under	95,000	\$5.04	Under	100,000	\$5.30	Under	100,000
30-34	95,000	\$5.99	30-34	100,000	\$6.30	30-34	100,000
35-39	95,000	\$7.70	35-39	100,000	\$8.10	35-39	100,000
40-44	95,000	\$9.98	40-44	100,000	\$10.50	40-44	100,000
45-49	95,000	\$14.63	45-49	100,000	\$15.40	45-49	100,000
50-54	95,000	\$24.13	50-54	100,000	\$25.40	50-54	100,000
55-59	95,000	\$41.14	55-59	100,000	\$43.30	55-59	100,000
60-64	95,000	\$63.46	60-64	100,000	\$66.80	60-64	100,000
65-69	62,700	\$65.78	65-69	66,000	\$69.24	65-69	66,000
70-74	39,425	\$60.52	70-74	41,500	\$63.71	70-74	41,500
75-79	27,075	\$56.43	75-79	28,500	\$59.40	75-79	28,500
80 & Over	19,000	\$39.60	80 & Over	20,000	\$41.68	80 & Over	20,000

Memo

Date: August 29, 2011
To: Ed Holland
From: Michael de Leon
Subject: Life Premium Buy-Down Strategy

Enclosed you will find a proposed premium buy-down strategy for the Basic Life Insurance Plan. This continues the general strategy that we set forth in prior years with recommended modifications to account for actual results. As requested, we have only included the Basic Life Insurance Plan in our analysis.

The proposed buy-down strategy is expected to spend all available funds over a five-year period. Based on our current estimates, the net premium paid by the State will need to increase annually at 16.8% to steadily decrease the reserves over this period. This is consistent with last year's analysis. Please note that due to the balance in Fund 0679, it is not expected that a transfer will be necessary this year. Additionally, it is expected that there will be a balance of approximately \$50,000 remaining in Fund 0679 at the end of 2011.

Our assumptions for these projections are also consistent with the 2010 calculation. Premiums for the remainder of 2011 and all future years were based on the average premiums paid during the first seven months of 2011 (\$70,300), assuming no changes in premium rates or volume. The available fund balances were based on the amounts reported to us as of July 31, 2011. We assumed that the fund would earn 5% interest in future years.

We will continue to monitor the financial results of these plans in the future and modify the percentages accordingly.

Please contact me at 612-397-4681 if you have any questions.

To: Ed Holland
 Subject: Life Premium Buy-Down Strategy
 Date: August 29, 2011
 Page 16

Basic Life Insurance							
Plan Year	Annual Premium	Percent of Premium Buy-Down	Dollar Premium Buy-Down	Net Annual Premium	Increase in Net Premium	Reserve Fund Balance ⁽¹⁾	Percent of Beginning Balance
Beginning Balance ⁽²⁾						\$827,613	
2011 ⁽³⁾	\$351,500	52.3%	\$183,675	\$167,825		\$844,855	102.1%
2012 ⁽⁴⁾	\$843,600	44.2%	\$372,989	\$470,611	16.8%	\$556,034	67.2%
2013	\$843,600	34.8%	\$293,736	\$549,864	16.8%	\$282,756	34.2%
2014	\$843,600	23.8%	\$201,136	\$642,464	16.8%	\$90,729	11.0%
2015	\$843,600	11.0%	\$92,942	\$750,658	16.8%	\$0	0.0%
2016	\$843,600	0.0%	\$0	\$843,600	12.4%	\$0	0.0%
2017	\$843,600	0.0%	\$0	\$843,600	0.0%	\$0	0.0%
2018	\$843,600	0.0%	\$0	\$843,600	0.0%	\$0	0.0%

(1) Assumes a 5% return on investments.
 (2) Balance as of 08/01/11.
 (3) Remainder of year (August through December). No transfer from Fund 0680 is expected during 2011 due to the balance that currently exists in Fund 0679.
 (4) Premium rates unchanged, assumes no future rate increases. Reserve fund balance excludes transfer of about \$50,000 of buy-down due to remaining balance expected in Fund 0679 at beginning of year.

Adjusted Life Premium Rates

***American Federation of State County and Municipal Employees (AFSCME),
Non-Contract, Judicial AFSCME, & Public Professional and Maintenance
employees (PPME)***

Basic Life Monthly Premium Rates			
	Plan Year 2011 (Reduced 52.3%)	Plan Year 2012 (Reduced 44.2%)	Percent Inc/(Dec)
Under 65 - \$20,000	\$1.53	\$1.79	17.0%
65 – 69 - \$13,200	\$1.01	\$1.18	16.8%
70 – 74 - \$8,300	\$0.63	\$0.74	17.5%
75 & Over - \$5,700	\$0.44	\$0.51	15.9%

***United Electrical/Iowa United Professionals (UE/IUP)
& State Police Officer's Council (SPOC)***

Basic Life Monthly Premium Rates			
	Plan Year 2011 (Reduced 52.3%)	Plan Year 2012 (Reduced 44.2%)	Percent Inc/(Dec)
Under 65 - \$20,000	\$1.53	\$1.79	17.0%
65 – 69 - \$13,200	\$1.01	\$1.18	16.8%
70 – 74 - \$8,300	\$0.63	\$0.74	17.5%
75 & Over - \$5,700	\$0.44	\$0.51	15.9%

Comparison of Life Annual Costs With & Without Surplus Reduction

Projected Total Premium Cost Comparison				
Basic Life	\$864,586	\$839,342	\$370,989	\$468,353
Supplemental Life	\$3,184,488	\$3,090,096	\$0.00	\$3,090,096
Total	\$4,049,074	\$3,929,438	\$370,989	\$3,558,449

Note: Table does not estimate movement to additional supplemental life insurance.

2012 Life & Long-Term Disability Recommendations

DAS-HRE is asking the Insurance Committee to do the following:

- A. Approve the Life and LTD premium rates for Executive Council Review.
- B. Approve the use of surplus to “buy down” Basic Term Life premium rates.

Executive Council of Iowa

TAB # 2

Capitol Building
Des Moines, Iowa 50319
Phone: 515 281-5368
FAX: 515 281-7562

RECEIVED

SEP 21 2011

IOWA DEPT. OF
MANAGEMENT

REQUEST FOR MEMBERSHIP APPROVAL

DEPARTMENT REQUESTING MEMBERSHIP: Iowa Veterans Home

NAME OF ORGANIZATION: National Association of State Veterans Homes (NASVH)

NEW MEMBERSHIP _____ **RENEWAL** **XX** **MEMBERSHIP PERIOD:** 10/1/11 - 9/30/12
(Beginning and ending dates)

MEMBERSHIP FEE OR DUES AMOUNT \$ 900.00

Funding Source: State General Fund **X** Other State Funds **X** Medicaid

Federal Funds **X** Other Funds **X** Resident Support, Insurance

If Renewal, previous year amount. \$ 900.00

DO OTHER DEPARTMENTS BELONG TO THIS ORGANIZATION? ☐ Yes **X** No

If yes, please list: N/A

Please describe why your department should have an additional membership N/A

WILL THIS MEMBERSHIP REQUIRE AND PAY FOR OUT-OF-STATE TRAVEL? Yes No **X**

If yes, list the anticipated number of trips per year and their purpose: There are semi-annual meetings but approval to attend goes through State of Iowa procedures. Meetings are not mandatory.

DESCRIBE WHY THIS MEMBERSHIP IS IMPORTANT TO THE WORK OF YOUR DEPARTMENT.

This allows the Veterans Home to work closely with counterparts in the NASVH and in the Department of Veterans Affairs on issues pertinent to regulations, construction, per diem programs, programmatic changes, etc., related to long-term health care for veterans.

DESCRIBE HOW MEMBERSHIP IN THIS ORGANIZATION WILL BENEFIT THE TAXPAYERS OF THE STATE OF IOWA.

This will allow the Veterans Home to stay abreast of the latest information pertinent to the regulation and delivery of long-term health care services for Iowa's elderly veterans and dependent/surviving spouses.

DESCRIBE THE FREQUENCY AND TYPE OF CONTACTS YOU EXPECT YOUR DEPARTMENT TO HAVE WITH THIS ORGANIZATION: Face-to-face meetings two times a year and frequent telephone calls.

Requested by: David G. Worley **Date:** 9/13/11
(Department Head Signature)

Phone: 641-753-4309

E-mail: david.worley@ivh.state.ia.us

Membership Form 42400

July 2009

DOM: Approval ☒ Disapproval ☐

Signature David G. Worley

Date 9/26/11

Executive Council of Iowa

TAB # 3

Capitol Building
Des Moines, Iowa 50319
Phone: 515 281-5368
FAX: 515 281-7562

REQUEST FOR MEMBERSHIP APPROVAL

DEPARTMENT REQUESTING MEMBERSHIP: Department of Natural Resources

NAME OF ORGANIZATION: Midwest Association of Fish and Wildlife Agencies

NEW MEMBERSHIP	<input type="checkbox"/>	RENEWAL	<input checked="" type="checkbox"/>	MEMBERSHIP PERIOD: <u>07/01/11 To 06/30/12</u> (Beginning and ending dates)
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MEMBERSHIP FEE OR DUES AMOUNT \$1800.00

Funding Source: State General Fund ☐ Other State Funds ☒ Fish and Wildlife Trust Fund
Federal Funds ☐ Other Funds ☐

If Renewal, previous year amount. \$1800.00

DO OTHER DEPARTMENTS BELONG TO THIS ORGANIZATION?

Yes

☒ No

If yes, please list:

Please describe why your department should have an additional membership:

WILL THIS MEMBERSHIP REQUIRE AND PAY FOR OUT-OF-STATE TRAVEL?

X-travel
required

Yes

X-possible
scholarship
funds avail

No

If yes, list the anticipated number of trips per year and their purpose: 3; committee meetings and/or educational seminars

DESCRIBE WHY THIS MEMBERSHIP IS IMPORTANT TO THE WORK OF YOUR DEPARTMENT:

MAFWA provides a forum for communication on issues of critical importance to agencies who are charged with managing fish and wildlife resources. This is a subgroup of the national organization AFWA (Association of Fish and Wildlife Agencies). MAFWA works on issues of common interest and in many cases joint jurisdiction. Examples include wildlife diseases, migratory wildlife, farm bill programs, and climate effects.

DESCRIBE HOW MEMBERSHIP IN THIS ORGANIZATION WILL BENEFIT THE TAXPAYERS OF THE STATE OF IOWA: The taxpayers in this case are license purchasing hunters and anglers. No general tax revenue is spent in participation of this association. Anglers and hunters benefit directly from state agency collaboration on common issues affecting our fish and wildlife resources.

DESCRIBE THE FREQUENCY AND TYPE OF CONTACTS YOU EXPECT YOUR DEPARTMENT TO HAVE WITH THIS ORGANIZATION: Monthly or, at times, daily communication may occur via email or phone by DNR staff, some of who serve on committees for MAFWA. For example, the DNR agriculture private lands committee will be extremely active in the upcoming months as program rules in the new legislative farm bill are unveiled.

Requested by: CHUCK CORELL

Date: 09/21/11

Deputy Director: Chuck Corell

Date: 9/22/2011

Director: Steve J. Harde

Date: 9-21-11

DOM: Approval: ☒ Disapproval: ☐

Signature: Steve J. Harde

Date: 9/22/11

Executive Council of Iowa

Capitol Building
Des Moines, Iowa 50319
Phone: 515 281-5368
FAX: 515 281-7562

MAY 05 2012

SEP 19 TAB #4

REQUEST FOR MEMBERSHIP APPROVAL

DEPARTMENT REQUESTING MEMBERSHIP: Dept. of Public Safety – Division of Criminal Investigation _____

NAME OF ORGANIZATION: SEARCH – The National Consortium for Justice Information and Statistics _____

NEW MEMBERSHIP _____ **RENEWAL** ☒ **MEMBERSHIP PERIOD:** 10/01/11-09/30/12 _____
(Beginning and ending dates)

MEMBERSHIP FEE OR DUES AMOUNT \$ 6,500.00 _____

Funding Source: State General Fund _____ Other State Funds ☒ Criminal History _____

Fees _____ **Federal Funds** _____ **Other Funds** _____

If Renewal, previous year amount. \$ 6,500.00 _____

DO OTHER DEPARTMENTS BELONG TO THIS ORGANIZATION? Yes No

If yes, please list: _____

Please describe why your department should have an additional membership: This organization provides valuable information, training and resources to maintain and enhance criminal history information shared between the states and the federal government. SEARCH is responsible for establishing standards across the US to ensure consistency between the states and the FBI when it comes to interagency cooperation with respect to the sharing of criminal history data. _____

WILL THIS MEMBERSHIP REQUIRE AND PAY FOR OUT-OF-STATE TRAVEL? ☒ Yes No

If yes, list the anticipated number of trips per year and their purpose: SEARCH hosts two annual meetings to update members on new standards and requirements regarding criminal history records. All expenses related to these meeting are covered by SEARCH. _____

DESCRIBE WHY THIS MEMBERSHIP IS IMPORTANT TO THE WORK OF YOUR DEPARTMENT.

This membership provides the DPS with current trends, requirements and standards when it comes to the collection, maintenance and dissemination of criminal history data. _____

DESCRIBE HOW MEMBERSHIP IN THIS ORGANIZATION WILL BENEFIT THE TAXPAYERS OF THE STATE OF IOWA:

The resources received through membership allow the state of Iowa to obtain up to date information concerning criminal history records from across the US, make the state aware of proposed federal regulations and mandates, current trends, available grant opportunities, new innovations and technology. All of this assists the state in our efforts to provide timely and accurate information to the citizens of Iowa. _____

DESCRIBE THE FREQUENCY AND TYPE OF CONTACTS YOU EXPECT YOUR DEPARTMENT TO HAVE WITH THIS ORGANIZATION: The DPS has regular contact with SEARCH, receiving informational updates on routine basis and the organization's staff are always available to answer questions and provide consultation when needed. _____

Requested by: David Heuton
(Department Head Signature)

Date: Sept 20, 2011

Phone: (515) 725-6251 **email:** heuton@dps.state.ia.us

DOM: Approval ☒ Disapproval ☐

Signature: David Heuton

Date: 9/22/11

DE SERVED 9/26/11

Executive Council of Iowa
Capitol Building
Des Moines, Iowa 50319
Phone: 515-281-5363
FAX: 515-281-7562

TAB # 5

REQUEST FOR MEMBERSHIP APPROVAL

DEPARTMENT REQUESTING MEMBERSHIP: Iowa Department of Transportation

NAME OF ORGANIZATION: Ames Chamber of Commerce

NEW MEMBERSHIP X RENEWAL _____ MEMBERSHIP PERIOD July 2011 - June 2012
(Beginning and ending dates)

MEMBERSHIP FEE OR DUES AMOUNT \$ 1500

If Renewal, previous year amount \$ _____

DO OTHER DEPARTMENTS BELONG TO THIS ORGANIZATION? ☐ Yes ☒ No

If yes, please list: _____

Please describe why department should have an additional membership: _____

WILL THIS MEMBERSHIP REQUIRE OUT-OF-STATE TRAVEL? ☐ Yes ☒ No

If yes, list the anticipated number of trips per year and their purpose: _____

DESCRIBE WHY THIS MEMBERSHIP IS IMPORTANT TO THE WORK OF YOUR DEPARTMENT

This will afford DOT staff the opportunity to network with local citizens and organizations, create a positive presence in the community, take advantage of additional recruitment opportunities such as the Story County Career Expo and the NationJob Network and participate in staff development.

DESCRIBE HOW MEMBERSHIP IN THIS ORGANIZATION WILL BENEFIT THE TAXPAYERS OF THE STATE OF IOWA

It will offer another resource for advertising DOT employment, allow citizens to learn more about the department and provide outreach within the community by participating in Chamber sponsored events.

DESCRIBE THE FREQUENCY AND TYPE OF CONTACTS YOU EXPECT YOUR DEPARTMENT TO HAVE WITH THIS ORGANIZATION

Constant contacts may be made through participation in various programs offered by the Ames Chamber of Commerce.

EXECUTIVE COUNCIL 20 SEP 22 AM 10:33	Requested by: <u><i>Paul Trombino</i></u> Date: <u>8/3/2011</u>
	(For Department Head Signature)
	Phone: <u>515-239-1111</u> E-mail: <u>paul.trombino@dot.iowa.gov</u>

Approved *David J. Pedraza* 9/22/11